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TCDC

Technical cooperation among developing countries

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HIGH-LEVEL COMMITTEE ON THE REVIEW
OF TECHNICAL COOPERATION AMONG
DEVELOPING COUNTRIES
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DRAFT REPORT

Rapporteur: Mr. Naceur Gharbi (Tunisia)

III. REPORTS ON IMPLEMENTATION

(Agenda items 2, 3 and 4)

A. Statement by the Permanent Representative of Jamaica to the United Nations as the President of the Committee at its eleventh session

1. In calling the meeting to order, the President stated that technical cooperation among developing countries (TCDC) has evolved as an integral part of an effective mechanism facilitating the exchange of know-how, skills, technical and best practices among developing countries. She recalled that in celebrating the twentieth anniversary of the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries, the General Assembly has reaffirmed its validity and urged the need to further increase and expand the utilization of the TCDC modality in development cooperation.

2. The President pointed out that it is through TCDC that the developing countries can strengthen their integration and participation in the world economy. She noted that the new directions strategy has been very effective as a stimulus for the utilization of TCDC modality. She welcomed the efforts of the Special Unit for Technical Cooperation among Developing Countries in taking up the challenge of the new directions strategy, and recommended that it be funded and staffed adequately.

3. She noted that the strategy of capacity and partnership building for the expansion of TCDC has been a major focus over the past two years. The 2000 South summit will provide an appropriate context for the further strengthening

of the practical application of TCDC. She also thanked the donor countries for promoting TCDC, particularly through the triangular cooperation modality, and underscored the role of the United Nations development system in TCDC.

B. Statement by the Associate Administrator of the United Nations Development Programme

4. In his opening statement, the Associate Administrator of the United Nations Development Programme (UNDP) drew attention to the hopes generated by the new era of globalization. Liberalization and the information revolution are expected to fuel increased integration of world markets, resulting in economic expansion and higher living standards worldwide, but the process has bypassed many developing countries. This situation strongly underscores the importance of the basic principles of TCDC - solidarity, collective self-reliance, and international cooperation for development and concerted efforts to build an equitable global economic order. He recalled the international community's stress on the renewed importance of TCDC as an effective strategy for helping developing countries to overcome the threats and seize the opportunities presented by globalization. He highlighted a few important developments marking the progress of South-South technical and economic cooperation during the past two years.

5. The Associate Administrator noted seven recent important developments. First, as development capacities of countries improve, more and more developing countries are not only participating in externally funded TCDC activities but also initiating and funding such activities. Second, TCDC undertakings are moving from single-type training or study tour episodes to more sophisticated and complex forms of exchange. Third, technical and economic cooperation among developing countries is changing from mostly bilateral and intraregional to interregional and global-scale arrangements. Fourth, traditional institutional support is increasingly giving way to more private sector-oriented activities. Fifth, conventional horizontal TCDC cooperation is being enriched by more dynamic and vibrant South-North-South triangular cooperation arrangements. Sixth, TCDC has moved from spontaneous and ad hoc interventions to more deliberate and long-term strategic initiatives. Seventh, typical one-to-one TCDC activities are being replaced by activities encompassing large circle of countries or bodies.

6. The Associate Administrator pointed out that progress achieved in the implementation of both the Buenos Aires Plan of Action and the new directions strategy would not have been possible without the total commitment and collective efforts of the developing countries and the strong support of the United Nations development system. The majority of United Nations agencies and organizations have integrated TCDC into their corporate policies, structures and regular programmes. The country and regional programmes of UNDP in more than half their activities embrace TCDC as a strategy or use TCDC in the execution of components of programmes. Approximately $100 million is spent annually on TCDC activities by the United Nations development system, and half those resources are provided by UNDP. In lauding the role of the Special Unit for Technical Cooperation in Developing Countries in promoting TCDC, he stated that it is the

nucleus of the multilateral support structure for TCDC and must be further strengthened.

7. The Associate Administrator concluded by highlighting three points. First, South-South cooperation is not just a concept or an end in itself. It is only one important means of freeing people of the South from poverty, joblessness, hunger, homelessness, disease and environmental degradation. Second, TCDC is an enterprise of the South for the South but supported by all. Its success requires the collective efforts of the developing countries, the donor community, the multilateral development system and other actors in development. Finally, global support for TCDC must be provided on a systematic and predictable basis because the bridge across the South eventually benefits all humanity.

C. Introduction of the reports by the Director of the Special Unit for Technical Cooperation among Developing Countries: highlights of the progress reports

8. The Director of the Special Unit for Technical Cooperation among Developing Countries introduced the three reports submitted for consideration of the High-level Committee. He explained that the reports are based on information generated through activities sponsored by the Special Unit, information received in response to questionnaires addressed to countries, United Nations agencies and organizations and intergovernmental and non-governmental organizations, and information obtained from the public domain through formal and informal contacts; 60 developing countries, 4 developed countries, 23 United Nations organizations and agencies and 9 intergovernmental and non-governmental organizations furnished information.

Review of the progress made in implementing the Buenos Aires Plan of Action, the decisions of the High-level Committee and the recommendations of the South Commission

9. The report provides an analysis of the information collected, and highlights national and bilateral activities in support of TCDC, support by intergovernmental and non-governmental organizations to TCDC, and the role of the United Nations development system in promoting TCDC, and offers recommendations for improved TCDC.

10. TCDC now involves a wide range of players, and developing countries have substantially expanded bilateral TCDC programmes by providing increased resources and also under broader international support or triangular cooperation. There are 23 countries distributed in all the four regions, which consider themselves as pivotal countries for TCDC programmes. The countries of the Asia and Pacific region have led the way in self-generated bilateral TCDC activities. More Latin American and the Caribbean countries are participating in horizontal cooperation covering countries beyond the region. There was an increased awareness of the importance of TCDC in the Arab States region. Several countries of Europe and the Commonwealth of Independent States had embarked on various forms of horizontal cooperation involving countries of other regions as well. In the case of African countries, the level of TCDC

application remained low although new interregional programmes in the Asia and Pacific and Latin America and Caribbean regions are quite promising.

11. A large number of countries have substantially improved the application of the TCDC modality, including China, India, Indonesia, Pakistan, Singapore, Sri Lanka and Thailand in Asia; Argentina, Brazil, Costa Rica, Cuba, Mexico and Peru in Latin America; Nigeria, Senegal and Uganda in Africa; Egypt, Morocco and Tunisia in the Arab States region; and Turkey and Malta in the Europe and Commonwealth of Independent States region.

12. The Economic Commission for Africa and the Latin American Economic System, as in the past, have maintained their high profile in promoting TCDC. Notable among other organizations promoting TCDC are the Arab Center for Studies of Arid Zones and Dry Lands, the International Center for Living Aquatic Resource Management and the International Center for Small Hydropower Development, which demonstrate that in addition to national Governments, interregional or international centres of excellence can contribute richly to TCDC.

13. As before, Japan has taken a leading role in fostering triangular arrangements for TCDC. It has also placed additional resources at the disposal of UNDP. Other developed countries, such as Austria, France, Finland, Germany, Ireland and Norway, as well as South Korea, have also promoted triangular programmes, provided direct support to TCDC activities or contributed to the TCDC Trust Fund during the period under review.

14. United Nations agencies and organizations have integrated TCDC quite successfully in their policies and programmes. Food and Agriculture Organization of the United Nations (FAO) networks for fish technology in Africa and watershed management in Latin American countries deserve recognition. Facilitation and funding programme of FAO has been another means of supporting TCDC. The database on agricultural experts and information system on agricultural science and technology are two of its major programmes for TCDC. The World Health Organization has provided extensive training in relevant experience to experts and technicians of developing countries. The health network in Asia and the Pacific has also made a rich contribution to TCDC. The United Nations Population Fund Partners in Development programme based in Bangladesh is already well known. It has added another useful programme of outreach for the centres of excellence in Mexico, Indonesia and Thailand. The United Nations Conference on Trade and Development Global Trade Point network deserves mention for promotion of South-South investment. The efforts of the International Trade Centre to develop product networks to facilitate enterprise-to-enterprise cooperation and the United Nations Industrial Development Organization Asia and Pacific regional network on safe pesticide production and information are some of the worthy initiatives.

15. It is estimated that the United Nations development system spends $100 million annually on TCDC activities, and half of that on account of UNDP programmes. In addition to country and regional programmes of UNDP, the Special Unit for Technical Cooperation among Developing Countries undertakes a number of specific programmes. The Special Unit directs its programme to four categories of activities - (a) strengthening capacities of developing countries for TCDC, especially in such areas as trade and finance, technology for development,

macroeconomic management, production and employment and protection of the environment; (b) deepening South-South dialogue and exchanges on development and globalization; (c) enhancing South-South channels of communication, examples of which are the inclusion of best practices and successful experiences in the TCDC Information Referral System and the creation of national TCDC Web sites; (d) mobilizing global and broad-based support for TCDC and economic cooperation among developing countries (ECDC).

16. The review indicates that TCDC continues to be very important for developing countries in meeting the challenge of liberalization and globalization. TCDC offers viable opportunities for improving socio-economic development of developing countries and for enabling their participation and integration in the global economy. More and more developing countries are taking a lead role in initiating, organizing and financing TCDC activities. The United Nations development system is doing a good job in promoting TCDC, and it should continue to play this role. Finally, the review recommends continued resource support for TCDC from all development partners on a more systematic and predictable basis.

Progress made in the implementation of the new directions strategy for technical cooperation among developing countries

17. The report focuses on the trend towards increased use of the TCDC modality during 1997-1999 as a result of the implementation of the new directions strategy for TCDC. The viability and relevance of South-South cooperation as a development instrument appears more compelling today than ever before. TCDC has not only remained in widespread use; it has continued to grow in popularity and application among developing country partners within the strategy framework established by the new directions for TCDC.

18. The growth and strategic orientation of TCDC can be measured not only through the number and range of TCDC-related projects but also by the spread of new directions-inspired TCDC configurations, including a marked increase in bilateral TCDC projects, the recent phenomenon of donor country involvement in triangular funding schemes, and the increased partnerships among intergovernmental organizations, non-governmental organizations and other development actors. Given the acceleration in TCDC activities within the past four years, the fine-tuning of the TCDC modality through the new directions strategy, put into place in 1995, appears to have had a positive impact on the usefulness and applicability of the TCDC methodology.

19. With the growth in use of the TCDC modality, TCDC programmes appear to have undergone an evolution from single country-by-country interventions towards more sustained, broad-based applications on a multiple country or regional basis. There is also a steady increase in the number of developing country member States reporting that suitable domestic conditions exist for the management and operationalization of TCDC programmes, namely, an effective domestic focal point mechanism; elucidation of a clear national policy for TCDC; and an established approach to funding TCDC activities.

20. An encouraging trend which has emerged during the reporting period is the emergence of developed countries as third-party or triangular donors within the

TCDC framework. No fewer than six donor countries - led by Japan - have emerged during the past two years to play a role in a variety of TCDC projects. By ensuring that these projects remain true examples of South-South technical cooperation, these donor countries have provided even more proof that TCDC - strengthened by the new directions strategy - is an effective and efficient instrument for inter-country transfers of skills and technology. The endorsement of South-South cooperation by development partners from northern and developed countries and their funding for this modality have given increased strength to technical cooperation among developing countries as we enter the new millennium.

Consideration of reports of the Administrator of the United Nations Development Programme

21. The report is in two parts. The first part deals with the implementation of the guidelines for the review of TCDC policies and procedures by the United Nations development system. The overall goal of the revised guidelines is to mainstream the TCDC modality into the operational development activities of the organizations and agencies of the United Nations system. The overall response of the United Nations development system to the revised guidelines has been positive, with general agreement that these guidelines provide an improved framework for enhancing TCDC elements in their programmes and projects.

22. Among the major elements in the guidelines which have stimulated accelerated use of the TCDC modality, the designation of "pivotal countries" will be particularly effective in spreading "best practices" among developing countries; private-sector partnerships will be generated as a result of emphasis placed on closer operational integration between TCDC and ECDC.

23. The second part of the report deals with organizational and supportive arrangements for TCDC. Information on staffing of the Special Unit for Technical Cooperation among Developing Countries and resources available for the biennium is also provided. In its decision 95/3, the Executive Board of UNDP allocated 0.5 per cent of core programme resources to the promotion of TCDC during the current programme period, 1997-1999. Together with funds in the amount of US$ 1.3 million carried over from the previous programming cycle (1992-1996), these resources enabled the Special Unit to formulate a distinct programme beginning in 1997, which focuses on strengthening developing countries' capacities to intensify cooperation among themselves in strategic areas through exchange of knowledge and networking among institutions of the South.

24. In addition, US$ 8 million were made available by the Japanese Human Resources Development Fund for the promotion of TCDC; US$ 300,000 were provided by the Government of the Republic of Korea to the Voluntary Trust Fund for the Promotion of South-South Cooperation; and the Government of Ireland made a contribution of approximately US$ 40,000. Actual expenditure during 1997 was US$ 4.53 million, and projected levels of expenditure for subsequent years of the cycle are expected to adhere to this expenditure trend.

D. Remarks by the Administrator of the United Nations Development Programme

25. The Administrator of UNDP addressed the Committee briefly. He stated that TCDC is so important that he could not miss this last review to be held within his six-year tenure. He indicated that his remarks merely supplement the opening statements of the President and the Associate Administrator and the documentation provided by the Director of the Special Unit for Technical Cooperation among Developing Countries.

26. He underscored the importance of the fact that many development problems are being solved by the developing countries as well as the countries in transition on their own. He felt that the collection and dissemination of information on these experiences and activities is a matter of priority for TCDC. In many cases, pilot projects and limited experiences simply require upscaling. He thought that the United Nations development system is the right body to promote South-South cooperation and it needed increased resource support for this purpose. He also suggested that concern for TCDC be properly reflected in the Development Assistance Framework that is being prepared for United Nations support of development in the developing countries.

27. He commended the submission of the Secretary-General to the Group of Eight Major Industrialized Countries on the reduction of the debt of the developing countries, and requested all delegations to lend their support to the proposal. Finally, he emphasized the need for funding the multilateral development organizations and agencies by all donor countries. The multilateral system is doing a commendable job in promoting sustainable development across the globe and needs the support of all concerned, the developing and the developed countries.